

million is a drop in the bucket, when you address the area of telecommunications across this state. Now, I have no problem with the \$10 million that's in Section 17 that we've been discussing. This amendment would put an additional \$10 million, the same circumstances, going to rural economic and telecommunications and economic development. Now, a concern that's been expressed that people come down here and get \$50,000 and they'll call a meeting in a hotel and they'll invite a speaker in, they aren't familiar with the process, I can tell you that now. It's difficult to get it, \$10 million across the state, I've been told that every county, every area of the state has access to this fund. But we know, as the representative mentioned a while ago there's already people out there preparing applications. Now, the rural areas do not have for the most part people on the staff preparing an application for this. We need, Chairman Bragg, the sponsor of the bill referred to the information super highway. That's what this bill, this amendment is designed to do, is to provide some assistance in rural areas that can develop telecommunications systems and get on the information super highway, and I would urge its adoption.

Naifeh: Gentleman moves adoption of amendment number 20. Properly seconded. Rep. Purcell.

Purcell: Thank you, Mr. Speaker, members of the House. I appreciate everything that the representative from Scott County said. And I think it's important that everyone here heard it, because I think it was first an important statement of support for Section 17 that we have been discussing for so long. Basically, what this amendment does is bring to each of you the importance of what we've done to this point and at the same time, I think the representative's hope is that because of how important and successful he believes the existing program that we will create will be, he'd like another program the same size, an additional funded program that would operate kind of in tandem or along side. You would have, if this amendment goes on the bill, you'd have a statewide program that would be available for small business and minority owned business and then you would have another program running in tandem that would be specifically more restricted. Now, let me say in the interest of making sure that everyone here understands, if you don't like the idea of the existing program that we recommend to you, the guarantee program and so forth, then I would think that you would dislike this particular amendment twice as much, because it puts you in a posture now where you've doubled the size of the existing program. For those of you that like the program that we are creating here today, and I, I hope there are, ultimately there will be many of you, I do think you need to think about whether or not you want to have two programs in tandem. That, I think, is both an administrative and in many

other ways a logistical concern. The program that we've creating in this amendment today, is a program right now I think can reach out to every Tennessean. I said this in my earlier remarks but let me repeat it for Rep. Winningham, because I heard what he said. This is not an urban or rural issue. The intention is that the money be available to entrepreneurs all across the state. Now, arguably, given where the people live and the subscribers are, and also given the fact that all of the rural co-ops have been excluded from the effect of this bill, one might say that if one were to raise the money in the overall area of local exchanges and transfer it into just certain rural areas, that it was a transfer of funds. One could argue that. I think the major issue here is this. We have created in this bill a program that's available for small businesses everywhere. Small businesses, period. We have created as well a program that is available for those small minority owned businesses. It is not an either or proposition. It is not an end proposition. Rep. Jackson and I have discussed this at some length and he asked that I make it clear, that small businesses anywhere in this state, irrespective of ownership can utilize this program. That's what the bill says. At the same time, it also focuses on those who we've been unable to reach in the past for credit purposes, many of those are minority owned, owned by women, owned by ethnic minorities and so forth. So I appreciate the vote of confidence that the proponent of the amendment shows for the overall idea. I appreciate his enthusiasm for our moving forward with this whole concept, but I do think that sometimes we have to take small steps, and a small step is in the bill now. It is a small step, funded on an annual basis of \$2 million and I have to say that at this moment, that step is probably all that the sponsors of the bill believe that we can do. To double the size of the program to double the number of dollars involved, to double it in every way, and have two separate basic thrusts, I think, would not only be probably uneconomic but more than we should do first at this time. So for that reason, Mr. Speaker, and for that reason only, at this time, I would move this well-intentioned amendment to the table.

Naifeh: Proper motion. Properly seconded. Cuts off all debate except for Rep. Winningham. You're recognized.

Winningham: Thank you, Mr. Speaker. The sponsor of, of that bill comments he made certainly speaks highly of the amendment, I think. He endorses this amendment. He's gone through the spiel of all the confidence he's got in the governor and his economic and community Development Commissioner that they can do this. This would not even be a challenge to them to do another, because that's their role. That's what they do. He makes another endorsement of it. Those of you that like this bill, Section 17 ought to love this part of it. Because if you like it in one area, you ought to like it in

CERTIFICATE OF SERVICE

I, Kemal M. Hawa, hereby certify that I have this 29th day of May, 1998, caused to be served a true copy of the foregoing Petition for Preemption upon the persons listed below:

Alex Starr, Esq.
Federal Communications Commission
Policy and Program Planning Division
Common Carrier Bureau
1919 M Street, N.W., Room 544
Washington, D.C. 20554

Chairman H. Lynn Greer
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219


T.G. Pappas, Esq.
R. Dale Grimes, Esq.
Bass, Berry & Sims, PLC
Counsel for Tennessee Telephone Company
2700 First American Center
Nashville, TN 37238

Val Sanford, Esq.
Gullett, Sanford, Robinson & Martin, PLLC
230 Fourth Avenue, North, 3rd Floor
Post Office Box 198888
Nashville, TN 37219-8888

Janet Livengood, Esq.
Director of Regulatory Affairs
AVR, L.P. d/b/a Hyperion of Tennessee, L.P.
DDI Plaza Two
500 Thomas Street, Suite 400
Bridgeville, PA 15017

Ms. Kathy M. Harriman
General Manager
AVR, L.P. d/b/a Hyperion of Tennessee, L.P.
2001 Hayes Street
Nashville, TN 37203

ITS
1231 20th Street
Washington, D.C. 20036


Kemal M. Hawa